

**NANCY KAPLEN**  
ACTING ATTORNEY GENERAL OF NEW JERSEY  
Division of Law  
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Attorney for Plaintiffs

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SUPERIOR COURT OF NEW JERSEY  
CHANCERY DIVISION  
MERCER COUNTY  
DOCKET NO.: C-97-04

**PETER C. HARVEY, ATTORNEY GENERAL** :  
**OF THE STATE OF NEW JERSEY and** :  
**J. FRANK VESPA-PAPALEO, DIRECTOR** :  
**OF THE NEW JERSEY DIVISION ON** :  
**CIVIL RIGHTS,** :

**Plaintiffs,** :

**v.** :

**ANSCHUTZ CORPORATION** :  
**d/b/a REGAL ENTERTAINMENT GROUP** :  
**and/or REGAL CINEMAS, INC.,** :

**Defendants.** :

**SETTLEMENT AGREEMENT**

**WHEREAS**, on September 14, 2004 Peter C. Harvey, Attorney General of the State of New Jersey and J. Frank Vespa-Papaleo, Director, Division on Civil Rights (“Plaintiffs”) filed a Verified Complaint against Regal Entertainment Group and/or Regal Cinemas, Inc., (“Defendants”) bearing docket No. C-97-04 in which Plaintiffs asserted claims against Defendants alleging discrimination against the deaf and hard of hearing in its movie theaters in violation of the Law Against Discrimination, N.J.S.A. 10:5-1 et seq. (“LAD”) (the “Action”); and

**WHEREAS**, on February 22, 2005, Plaintiffs filed an Amended Complaint in

which Plaintiffs asserted additional claims against Defendants alleging discrimination against the blind and visually impaired in its movie theaters in violation of the LAD; and

**WHEREAS**, Defendants deny each and every allegation made by Plaintiffs and have asserted counterclaims alleging full compliance with the LAD and seeking declaratory relief from the court. Defendants enter into this Settlement Agreement for the sole reason of eliminating the expenses associated with litigation; and

**WHEREAS**, the parties hereto desire to resolve this matter amicably without the necessity, expense and uncertainty of further litigation; and

**WHEREAS**, to the extent first run and/or newly released films are released with captions or audio description and are available to Defendants' New Jersey Theaters, the parties desire that they be made available to those in need of such accommodations; and

**NOW, THEREFORE**, in consideration of the promises and mutual obligations herein set forth, the parties hereby agree as follows:

#### **DEFINITIONS**

1. As used in this Settlement Agreement, captioning and descriptive audio narrations systems, which are transmitted by either combined or separate units, are designed to provide captioned viewings of movies for the hearing impaired and provide audio narrations of movies for the visually impaired. These components, whether a single unit or separate units, are hereinafter referred to as "Captioning Equipment" and "Descriptive Audio Equipment." "Open Captioning" is a type of captioning which projects the captioning onto the screen as the movie is being shown. Currently, Regal maintains and utilizes this type of captioning system in its New Jersey theaters as identified in Paragraph 10 of this Settlement Agreement.

2. As used in this Settlement Agreement "Major Holidays" are Martin Luther

King Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving, Christmas Eve, Christmas Day, New Year's Eve and New Year's Day.

3. As used in this Settlement Agreement, the terms "Film" or "Movie" relate to first run or newly released presentations at the Defendants' theatres that are provided by the film studios or film distribution companies with captioning text and/or audio descriptions.

4. As used in this Settlement Agreement, "Evening" relates to any posted show time beginning after 5:30 p.m. and before 10:00 p.m.

5. As used in this Settlement Agreement, "Matinee" refers to any posted show time prior to 5:30 p.m.

6. As used in this Settlement Agreement, "Week" refers to the period from Monday through Thursday.

7. As used in this Settlement Agreement, "Weekend" refers to the period from Friday and continuing through Sunday before 9:00 p.m.

8. This Settlement Agreement applies to theaters operated by Defendants and situated only in the State of New Jersey.

#### **BUSINESS PRACTICES**

9. By entering into this Settlement Agreement, the parties agree that there are no admissions or findings of liability or wrongdoing under the LAD and its regulations.

10. Regal will maintain the Captioning Equipment as well as Descriptive Audio Equipment or comparable equipment at all of its theaters in New Jersey which had been equipped with Captioning Equipment and Descriptive Audio Equipment systems as of June 1, 2005.

11. Each of the theaters identified in Paragraph 10 will show a captioned film

in a format fulfilling the requirements of Paragraph 1 of this Settlement Agreement at least four times during the Week; at least four times on the Weekend with at least one of the four showings being an Evening showing; and one captioned film in a format fulfilling the requirements of Paragraph 1 of this Settlement Agreement on every Major Holiday. This show schedule is subject to the availability of films to be shown in a captioned and descriptive audio format.

12. To the extent that any non-Regal owned theater in New Jersey located within a 10 mile radius of a Regal location in New Jersey also provides Open Captioning in a format fulfilling the requirements of Paragraph 1 of this Settlement Agreement with the same level of frequency of accessibility as required by Paragraph 11 of this Settlement Agreement, Regal will not be required to maintain or continue Open Captioning at that particular Regal theater.

13. Defendants will provide notices of the scheduled movies for which captioning and descriptive audio narration are available in any advertisement controlled and utilized by Defendants. This shall apply to its theaters, box offices, newspaper advertisements, Defendants' own website, any other website, or any other means of advertising controlled and utilized by Defendants. As to any other media not controlled by Regal, Regal agrees to request that notice of the scheduled movies for which captioning and descriptive audio narration is available be included in such advertisements.

14. Defendants agree to provide captioning and descriptive audio narration on at least one (1) screen at any theater(s) with ten or more screens they build or acquire in New Jersey under the same terms and conditions as those required for the theaters identified in Paragraph 10 herein.

### GENERAL ASSURANCES

15. If Plaintiffs believe Defendants have failed to comply with the provisions of this Settlement Agreement, Plaintiffs shall provide written notice to Defendants outlining with specificity any such alleged violation and provide Defendants a period of 30 days to either establish that no violation occurred or cure the violation. In the event the parties disagree as to whether a violation has occurred, they agree to take the issue to a mutually agreeable mediator for non-binding mediation. If mediation is unsuccessful, the parties can move before this Court to resolve the issue.

16. This Settlement Agreement constitutes the entire agreement between the parties hereto and supersedes all prior agreements, representations, discussions and understandings concerning the subject matter hereof. This Settlement Agreement shall bind the parties hereto and their respective officers, directors, agents, representatives, and employees.

17. The parties represent that an authorized representative of each has signed this Settlement Agreement with full knowledge, understanding and acceptance of its terms and has done so with authority to legally bind the respective party.

18. This Settlement Agreement may not be changed orally, but may be changed only in writing signed by duly authorized representatives of the parties.

19. This Settlement Agreement may be executed simultaneously in counterparts, each of which shall be an original, but one of which shall constitute but one and the same agreement.

20. This Settlement Agreement shall be governed by, and construed in accordance with the laws of the State of New Jersey, without reference to its choice of law rules. The Superior Court of New Jersey retains jurisdiction to enforce the terms of this Settlement

Agreement and shall be the exclusive forum for adjudicating any disputes concerning this Settlement Agreement.

21 Plaintiffs will prepare for the Parties' signature a Stipulation of Dismissal with Prejudice. The Stipulation will provide that this Court retains jurisdiction for purposes of enforcing the terms of the Settlement Agreement.

**NANCY KAPLEN  
ACTING ATTORNEY GENERAL OF NEW JERSEY**

  
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**NANCY KAPLEN**

**NEW JERSEY DIVISION ON CIVIL RIGHTS**

By:   
\_\_\_\_\_  
**J. FRANK VESPA-PAPALEO, ESQ.  
DIRECTOR**

**REGAL ENTERTAINMENT GROUP  
and/or REGAL CINEMAS, INC.**

By: \_\_\_\_\_  
**RAYMOND L. SMITH, JR.  
SENIOR VICE PRESIDENT, H.R. COUNSEL**

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By:  

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**RAYMOND L. SMITH, JR.  
SENIOR VICE PRESIDENT, H.R. COUNSEL**